

MINUTES OF THE  
BOARD OF WATER AND NATURAL RESOURCES MEETING  
523 EAST CAPITOL  
PIERRE, SOUTH DAKOTA

MARCH 25-26, 2004

MARCH 25, 2004 - 1:00 P.M. CST

CALL MEETING TO ORDER: Chairman Gregg Greenfield called the meeting to order. A quorum was present.

BOARD MEMBERS PRESENT: Gregg Greenfield, Dale Kennedy, Don Bollweg, John Loucks, Gene Jones, Brad Johnson, and Don Rounds.

BOARD MEMBERS ABSENT: None.

OTHERS PRESENT: See attached attendance sheets.

APPROVE AGENDA: Jim Feeney noted that the Crooks Drinking Water SRF application was removed from the agenda and a joint powers agreement between the board and the Department of Agriculture would be considered under "Other Business."

Motion by Kennedy, seconded by Rounds, to approve the amended agenda. Motion carried.

APPROVE MINUTES OF JANUARY 8-9 AND MARCH 4, 2004, MEETINGS: Motion by Johnson, seconded by Rounds, to approve the minutes from the January 8-9 and March 4, 2004, Board of Water and Natural Resources meetings. Motion carried.

PUBLIC HEARING TO AMEND ARSD 74:05:08:01, 74:05:08:02, 74:05:08:14, 74:05:08:15, 74:05:08:17, 74:05:11:01, 74:05:11:02, 74:05:11:13, 74:05:11:15, and 74:05:11:16: Chairman Greenfield opened the hearing at 1:10 p.m. CST.

The proposed revisions will allow the Drinking Water and Clean Water State Revolving Fund programs to make loans for interim financing and to broaden the nonpoint source projects that may be funded through the Clean Water State Revolving Fund program. This will assure the financial security of loans made for interim financing or nonpoint source projects.

Mr. Perkovich provided a summary of proposed amendments to the rules. He requested the board adopt the amendments as follows.

**74:05:08:01. Definitions.** Terms not defined in this section have the meaning given by the Clean Water Act (CWA) as in effect on January 1, ~~1993~~2004. The following terms mean:

(1) "Act," the federal Water Pollution Control Act Amendments of 1987, as amended to January 1, ~~1993~~2004, otherwise known as the Clean Water Act;

(2) "Applicant," the sponsoring entity applying for interim financing or for funding to construct a project eligible under the Act;

(1.1) "Interim financing," a loan for a term not to exceed three years which is to be repaid from the proceeds of a federal grant or loan to be made by an agency or instrumentality of the United States government for the project;

~~(1.12)~~ "Nonpoint source," ~~an origin of~~ pollution originating from a source other than a point source many diffuse sources caused by rainfall or snowmelt moving over and through the ground, examples of which are excess fertilizers, herbicides, and insecticides from agricultural lands and residential areas; oil, grease, detergents, and other chemicals from urban runoff and energy production; sediment from improperly managed construction sites, crop and forest lands, and eroding stream banks; salt from irrigation, practices and acid drainage from abandoned mines; bacteria and nutrients from livestock, pet wastes, and faulty septic systems; atmospheric deposition from power plants and waste incinerators;

~~(1.13)~~ "Point source," a discernible, confined, and discrete conveyance, including any pipe, ditch, channel, conduit, well, discrete fissure, container, or concentrated animal feeding operation from which pollutants are or may be discharged;

~~(1.14)~~ "Project," the actual erection, building acquisition, alteration, remodeling, improvement, or extension of eligible works, including the necessary planning, design, land acquisition, and purchase or installation of equipment, or ~~the initiation implementation~~ of a nonpoint source ~~management program practices;~~

~~(1.15)~~ "Recipient," an applicant receiving funds;

~~(1.16)~~ "Secretary," the secretary of the Department of Environment and Natural Resources or a designated representative of the secretary;

~~(1.17)~~ "Section 303(d) list," a list of waters targeted for the development of total maximum daily loads (TMDLs) as required by section 303(d) of the Act;

~~(1.18)~~ "Section 319 = ~~nonpoint source pollution project,~~ pollution that does not result from a discharge at a specific single location but generally results from land runoff, precipitation, atmosphere deposition, or percolation as identified in a project that is eligible pursuant to § 319 of the federal Water Pollution Control Act Amendments of 1987, as amended to January 1, 19932004;

~~(1.19)~~ "Segmented construction," the construction of a portion of an eligible project;

~~(1.20)~~ "Source Water Assessment Report," a report prepared by the department that identifies potential sources of pollution in the portion of a watershed or groundwater area that contributes water to a water system that has at least 15 service connections for year-round residents or that serves at least 25 year-round residents;

~~(2021)~~ "SRF," the State Water Pollution Control Revolving Fund, a dedicated financing mechanism to provide loans, grants, and other forms of financial assistance for eligible works and projects;

~~(2122)~~ "Storm water projects," projects designed to carry or retain only storm waters, surface runoff, street wash waters, and drainage;

~~(2223)~~ "TMDL process," a determination of the amount of pollution a waterbody can receive and still maintain water quality standards;

~~(2324)~~ "Trustee," the legal entity to whom the bond is legally committed to be administered under the SRF program for the mutual benefit of the State and for the protection of the bond holders;

~~(2425)~~ "Wastewater treatment works," any devices and systems for the storage, treatment, recycling, and reclamation of municipal sewage, domestic sewage, or liquid industrial wastes used to implement section 201 of the Act, or necessary to recycle or reuse water at the most economical cost over the design life of the works. These include intercepting sewers, outfall sewers, sewage collection systems, individual systems, pumping, power, and other equipment and their appurtenances; extensions, improvement, remodeling, additions, and alterations thereof; elements essential to provide a reliable recycled supply such as standby treatment units and clear well facilities; and any works, including acquisition of the land that will be an integral part of the treatment process or is used for ultimate disposal of residues resulting from such treatment (including land for composting sludge, temporary storage of such compost and land used for the storage of treated wastewater in land treatment systems before land application); or any other method or system for preventing, abating, reducing, storing, treating, separating, or disposing of municipal waste or industrial waste, including waste in combined storm water and sanitary sewer systems; and

~~(2526)~~ "Water quality grants," grants made by the board to eligible applicants for the purpose of providing financial assistance for projects eligible under the Act.

**74:05:08:02. Eligibility.** An applicant is eligible for loan funding under the SRF program, established in SDCL 46A-1-60.1, if the applicant is included on the current, approved IUP, project priority list, and state water plan and if the facility is sponsored by one of the following entities:

(2) State agencies, instrumentalities, or other political subdivisions within the state, such as municipalities or counties; or

(3) Federally recognized Indian tribes.

An applicant is eligible for financial assistance under the SRF program in the form of a water quality grant if the project is sponsored by an entity listed in (1) to (3), above, or by a private entity undertaking an eligible project under the Act.

An applicant that uses the proceeds of a loan to make loans to private persons for nonpoint source projects is also eligible for financial assistance under the SRF Program.

An applicant is eligible for an interim loan under the SRF program if the project sponsor provides evidence, in a form satisfactory to the board., that an agency or instrumentality of the United States government has committed to make a federal grant or loan for the project, and the proceeds of the grant or loan will be assigned to repay the interim loan..

An applicant is eligible for a reduction in the interest rate if as part of its assistance agreement the applicant agrees to fund an eligible no point source project in a watershed where the applicant is located or in. a watershed or groundwater area that contributes water to the applicant's water system.

**74:05:08:14. Eligible use of funds.** Financial assistance may be awarded for wastewater treatment works, storm water projects, and nonpoint source projects. Eligible uses may include:

(1) Any one or more of the following items;

- (a) Facilities plan preparation and financial assistance application preparation;
- (b) Engineering, environmental, architectural, legal, fiscal, or economic studies;
- (c) Surveys, designs, plans, land acquisition, working drawings, specifications, equipment purchases, or other necessary actions for erection, building acquisition, alteration, or remodeling improvement;
- (d) Extension of eligible works;
- (e) A nonpoint source management program project qualifying under § 319 of the Act;
- (f) Operation and maintenance manual preparation; or
- (g) Operator startup training;

(2) Refinancing existing debts if they were incurred and construction begun after March 7, 1985, and if the debts were used to fund projects identified in subdivision (1) of this section. In addition, the projects must satisfy the statutory requirements contained in § 602(b)(6) of the Act; or

(3) Guarantee or purchase insurance for local debt obligations;

(4) Interim financing of projects identified in subdivision (1) of this section; or

(5) Loans to an applicant for the purpose of relending the loan proceeds to private persons whose project consists of eligible nonpoint source projects.

**74:05:08:15. Financial security.** Specific requirements to secure a loan must be included in the assistance agreement. The loan must be secured by one or more of the following:

(3) Pledges of facility revenue; or

(4) Liens on the interest of the applicant in all real and personal property, easements, rights-of-way, water rights, and similar property rights, including leasehold interests, used in connection with the facility or the proceeds therefrom whether owned at the time the loan is approved or acquired with loan funds;

(5) For loans made for interim financing' of a project, the assignment of the proceeds of the federal grant or loan to be made by an agency or instrumentality of the United States government for the project; or

(6) For loans made to an applicant for relending to private persons whose project consists of eligible nonpoint source projects, the loan repayments from such private loan, and an assignment of any additional collateral securing such loan.

74:05:08:17. **Duration of assistance.** The board shall set the repayment period for each loan in the assistance agreement, which may not exceed 3 years for interim financing and in all other cases 20 years.

74:05:11:01. **Definitions.** Terms not defined in this section have the meaning given by the Safe Drinking Water Act, 42 U.S.C. § 300f to 42 U.S.C. § 300j-26, inclusive, as amended to January 1, 19972004. Terms used in this chapter mean:

(1) "Act," the federal Safe Drinking Water Act Amendments of 1996, Pub. L. No. 104-182 (August 6, 1996), in effect on January 1, 19972004;

(3) "Applicant," the sponsoring entity applying for interim financing or for funding to construct drinking water works;

(17) "Interim financing." a loan for a term not to exceed three years which is to be repaid from the proceeds of a federal grant or loan to be made by an agency or instrumentality of the United States government for the project;

(1718) "Loan servicing agent," an entity hired by the board to disburse payments, prepare amortization schedules, receive loan repayments, invest funds, and ensure the security of the loans remains intact;

(1819) "Median household income," the median household income as identified in the 2000 census as published by the Bureau of the Census, U.S. Department of Commerce, or by other statistically valid income data supplied by the applicant and acceptable to the board;

(1920) "Primary drinking water standards," the water quality standards and other provisions in chapter 74:04:05 to which community water systems are subject;

(2021) "Project," the actual erection, building, acquisition, alteration, remodeling, improvement, or extension of drinking water works, including the necessary planning, design, acquisition of land integral to the project, and purchase or installation of equipment;

(2122) "Recipient," an applicant receiving funds to construct a drinking water works project;

(2223) "Secretary," the secretary of the Department of Environment and Natural Resources or a designated representative of the secretary; and

(2324) "Trustee," the entity to whom the board assigns its bonds to be administered under the DWSRF program for the mutual benefit and protection of the state and the bond holders.

74:05:11:02. **Eligible systems.** An applicant is eligible for funding under the DWSRF loan program, established in SDCL 46A-1-60.1, if the applicant is included on the intended use plan and the current state water plan and if the facility is sponsored by one of the following entities:

(2) State agencies, instrumentalities, or other political subdivisions within the state, such as municipalities or counties;

(3) Federally recognized Indian tribes; and/or

(4) Nonprofit corporations and cooperatives.

An applicant is eligible for an interim loan under the SRF program if the project sponsor provides evidence in a form satisfactory to the board, that an agency or instrumentality of the United States government has committed to make a federal grant or loan for the project, and the proceeds of the grant or loan will be assigned to repay the interim loan.

**74:05:11:13. Eligible use of funds.** Financial assistance may be awarded for projects included in the intended use plan for one or more of the following uses:

(2) Refinancing existing debts if they were incurred after July 1, 1993, and if the debts were used to fund projects identified in subdivision (1) of this section. In addition, the projects must satisfy the statutory requirements contained in the Act; or

(3) Guarantee or purchase insurance for local debt obligations; or:

(4) Interim financing of projects identified in subdivision (1) of this section.

**74:05:11:15. Financial security.** Specific requirements to secure a loan must be included in the assistance agreement. The loan must be secured by one or more of the following:

(4) Liens on the interest of the applicant in all real and personal property, easements, rights-of-way, water rights, and similar property rights, including leasehold interests, used in connection with the facility, whether owned at the time the loan is approved or acquired with loan funds; or

(5) A security interest in the recipient's goods, machinery, inventory, equipment, and other personal property, including fixtures now owned or acquired later, together with all accessions and all substitutions and replacements; documents of title now existing or acquired later by the recipient, covering goods of any kind; accounts or contract rights now existing or arising later; instruments, documents, chattel paper, or general intangibles, including choses in action, tax refunds, and insurance proceeds; rights to receive any payments in money or kind, or any other obligations or indebtedness owed to the recipient from any source, including guarantees of these rights; and all proceeds and products of all of the items listed in this subdivision.; or

(6) For loans made for interim financing off a project, the assignment of the proceeds off the federal grant or loan to be made by an agency or instrumentality of the United States government for the protect.

74:05:11:16. **Duration of assistance.** The board shall set the repayment period for each assistance agreement. The maximum allowable repayment period is 3 years for interim financing, 30 years for loans to disadvantaged communities, not to exceed the useful life of the facilities, and 20 years for all other loans.

Notice of the public hearing was published in accordance with applicable rules and regulations.

No written comments were submitted with regard to the proposed amendments.

The Legislative Research Council (LRC) reviewed the rules for legality, style and form. The changes made by LRC were incorporated into the final rules.

Following Mr. Perkovich's presentation, Chairman Greenfield requested public comments.

Rick Vallery, South Dakota Wheat Inc., provided comments in support of the amendments.

Motion by Johnson, seconded by Rounds, to adopt the amendments to ARSD 74:05:08:01, 74:05:08:02, 74:05:08:14, 74:05:08:15, 74:05:08:17, 74:05:11:01, 74:05:11:02, 74:05:11:13, 74:05:11:15, and 74:05:11:16, as presented. Motion carried.

Chairman Greenfield declared the hearing closed.

STATE WATER PLAN AMENDMENTS: Water projects that will require state funding or need state support for grant or loan funding must be included on the State Water Facilities Plan (facilities plan). The Board of Water and Natural Resources annually approves projects to be placed on the facilities plan and provides for quarterly amendment of projects onto the facilities plan. The department received 11 applications during the normal application cycle and one emergency application requesting amendment onto the facilities plan.

David Ryan noted that projects approved for amendment onto the 2004 State Water Facilities Plan remain on the plan for the balance of calendar years 2004 and 2005. Placement on the facilities plan is contingent upon applicants meeting with department staff. The board may waive the meeting requirement for projects. Placement of a project on the facilities plan is not a guarantee of funding.

The city of Blunt requested amendment onto the 2004 facilities plan for wastewater system improvements. Staff recommended amending the project onto the facilities plan contingent upon the city meeting with DENR.

The town of Hermosa requested amendment onto the 2004 facilities plan for water system improvements. Staff recommended amending the project onto the facilities plan. The meeting requirement has been satisfied.

The city of Highmore requested amendment onto the 2004 facilities plan for a wastewater system extension project. Staff recommended amending the project onto the facilities plan contingent upon the city meeting with DENR.

The city of Highmore requested amendment onto the 2004 facilities plan for storm drainage improvements. Staff recommended amending the project onto the facilities plan contingent upon the city meeting with DENR.

The city of Lead requested amendment onto the 2004 facilities plan for the extension of water and sewer services to potential annexation areas for new development. Staff recommended amending the project onto the facilities plan contingent upon the city meeting with DENR.

The Lead-Deadwood Sanitary District requested amendment onto the 2004 facilities plan for a water source capital improvements project. Staff recommended amending the project onto the facilities plan contingent upon the sanitary district meeting with DENR.

The city of Milbank requested amendment onto the 2004 facilities plan for wastewater system improvements. Staff recommended amending the project onto the facilities plan contingent upon the city meeting with DENR.

The city of Miller requested amendment onto the 2004 facilities plan for a water main extension project. Staff recommended amending the project onto the facilities plan contingent upon the city meeting with DENR.

The town of Pollock requested amendment onto the 2004 facilities plan for lift station improvements. Staff recommended amending the project onto the facilities plan contingent upon the town meeting with DENR.

The city of Wall requested amendment onto the 2004 facilities plan for extending water and sewer utilities to southwest Wall. Staff recommended amending the project onto the facilities plan contingent upon the city meeting with DENR.

The town of Wolsey requested amendment onto the 2004 facilities plan for water distribution system improvements. Staff recommended amending the project onto the facilities plan contingent upon the town meeting with DENR.

The city of Clark requested emergency amendment onto the 2004 facilities plan for wastewater improvements/economic development opportunities. Staff recommended amending the project onto the facilities plan contingent upon the city meeting with DENR.

Motion by Loucks, seconded by Kennedy, to accept the staff recommendations and amend the following projects onto the 2004 State Water Facilities Plan: city of Blunt - wastewater system improvements; town of Hermosa - water system improvements; city of Highmore - wastewater system extension project; city of Highmore - storm drainage improvements; city of Lead - extension of water and sewer services to potential annexation areas for new development; Lead-Deadwood Sanitary District - water source capital improvements; city of Milbank - wastewater system improvements; city of Miller - water main extension project; town of Pollock - lift station improvements; city of Wall - extension of water



and sewer utilities to southwest Wall; town of Wolsey - water distribution system improvements; and city of Clark - emergency amendment for wastewater improvements/economic development opportunities. Motion carried.

**CLEAN WATER INTENDED USE PLAN (IUP) AMENDMENTS:** Mike Perkovich reported that the FFY 2004 Clean Water IUP was approved by the board in November 2003. The amount of funds to be transferred to the Drinking Water SRF program has been updated, as the amount of the FY 2004 capitalization grant has been finalized since adoption of the IUP. The result is that \$16,300 less than estimated can be transferred.

Additional projects have been identified through State Water Plan quarterly amendment applications. The department proposes to amend the FFY 2004 IUP by adding the following entry to Attachment I - Project Priority List:

| <b>Priority Points</b> | <b>Loan Recipient</b> | <b>Project Description</b>   | <b>Est. Loan Amount</b> | <b>Expected Loan Rate &amp; Term</b> |
|------------------------|-----------------------|--|-------------------------|--------------------------------------|
| 26                     | Milbank               | Rehabilitation of the wastewater treatment plant to address non-compliance with its Surface Water Discharge permit.                    | \$1,950,000             | 3.5%, 20 yrs                         |
| 15                     | Clark                 | Extension of the sewer collection system to an unsewered industrial site.  | \$150,000               | 3.5%, 20 yrs                         |
| 14                     | Corsica               | Relocation of the wastewater treatment plant to address deficiencies with the existing system and provide service to an industry.      | \$1,000,000             | 2.5%, 3 yrs                          |
| 14                     | Highmore              | Extension of the sewer system to businesses currently utilizing septic systems.  | \$100,000               | 3.5%, 20 yrs                         |
| 8                      | Lead                  | Extension of wastewater service to several new residential areas.  | \$1,000,000             | 3.5%, 20 yrs                         |
| 7                      | Pollock               | Rehabilitation of an existing lift station.  | \$70,000                | 3.5%, 20 yrs                         |
| 6                      | Highmore              | Reconstruction of a segment of storm sewer to be done in conjunction with a road project.  | \$250,000               | 3.5%, 20 yrs                         |
| 6                      | Wall                  | Extension of sewer service to the proposed school.   | \$250,000               | 3.5%, 20 yrs                         |
| 5                      | Blunt                 | Upgrade the wastewater treatment facility by dividing an existing cell into two separate cells and providing erosion control measures. | \$190,000               | 3.5%, 20 yrs                         |

Motion by Kennedy, seconded by Jones, to amend the FY 2004 Clean Water Intended Use Plan as presented. Motion carried.

**DRINKING WATER INTENDED USE PLAN AMENDMENTS:** Mr. Perkovich reported that the FY 2004 Drinking Water IUP was approved by the board in November 2003. Since then the amount of the FY 2004 capitalization grant has been finalized. The IUP has been updated to reflect the final capitalization grant amount of \$8,303,100. This is \$49,400 less than estimated.

Additional projects have been identified through State Water Plan quarterly amendment applications. The department proposed to amend the FY 2004 Drinking Water IUP by adding the following projects to Attachment I - Project Priority List:

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| Priority Points | Community/<br>Public Water System | Project Description  | Est. Loan Amount | Expected Loan Rate & Term |
|-----------------|-----------------------------------|--|------------------|---------------------------|
| 18              | Wolsey                            | <i>Problem:</i> The city's water system is old and deteriorating. <i>Project:</i> Replace portions of the distribution system.   | \$275,000        | 3.5%, 20 yrs              |
| 6               | Lead                              | <i>Problem:</i> The city recently annexed areas with residences with private water systems. <i>Project:</i> Construct water lines to recently annexed areas.   | \$525,000        | 3.5%, 30 yrs              |
| 6               | Lead-Deadwood Sanitary District   | <i>Problem:</i> The district's water supply system was developed by the Homestake Mining Company primarily to deliver raw water to its mining operation, which results in a system that is inefficiently operated for domestic purposes. <i>Project:</i> Re-route raw water supply lines | \$330,000        | 3.5%, 30 yrs              |
| 5               | Miller                            | <i>Problem:</i> Portions of the distribution system are undersized and do not provide reliable service. <i>Project:</i> Replace the undersized lines with 6-inch PVC lines.  | \$100,000        | 3.5%, 30 yrs              |
| 3               | Hermosa                           | <i>Problem:</i> The system is serviced by only one well. <i>Project:</i> Develop an additional well with the necessary appurtenances (well house, connecting lines, etc.)  | \$1,000,000      | 3.5%, 20 yrs              |

Motion by Rounds, seconded by Johnson, to amend the FY 2004 Drinking Water Intended Use Plan as presented. Motion carried.

**SRF INTEREST RATES:** Mr. Feeney reported that pursuant to ARSD 74:05:08:18 (Clean Water SRF) and ARSD 74:05:11:17 (Drinking Water SRF), the Board of Water and Natural Resources shall set SRF interest rates annually for each federal fiscal year based on the following criteria: 1) current market rates; 2) Rates secured on state-issued matching funds; and 3) Current demand for program funds.

Based on this criteria, the board may also adjust the interest rates at any board meeting if the proposed action is included on the posted agenda.

Mr. Feeney noted that at its September 2003 meeting, the board took action to retain the FFY 2003 interest rates at the start of FFY 2004. The current interest rate for both SRF programs is 3.5% for a term of up to 20 years. This rates includes a 1.0% administrative surcharge fee. The board also established special rates for the Drinking Water program for borrowers that qualify as a disadvantaged community. Both programs have set a rate of 2.5% for a term of up to three years for interim financing.

At the March 4, 2004, board meeting, Public Financial Management (PFM), the SRF financial advisor, presented its report and recommendation on the SRF programs to the board. PFM concluded that the slight negative financial impacts related to reducing loan interest rates are not material enough to preclude consideration. Also at that meeting, staff recommended lowering the SRF interest rates based on current market conditions and the establishment of additional nonpoint source incentive rates under the Clean Water SRF program. The board took no action on the SRF interest rate recommendations.

Staff recommended the board set the interest rate for both SRF programs at 2.5% (consisting of a 2% interest rate and 0.50% administrative surcharge) for loans up to 10 years and 3.25% (consisting of a 2.5% interest rate and 0.75% administrative surcharge) for loans exceeding 10 years up to a maximum term of 20 years.

For both programs, staff recommended the rate for interim financing at 2% (with no administrative surcharge) for a term up to three years.

For the Drinking Water SRF program, staff recommended setting the interest rate for disadvantaged borrowers at 3.25% (consisting of 2.5% interest rate and 0.75% administrative surcharge) for borrowers whose median household income is below the state median household income but equal to or greater than 80% of the median household income; 2.5% (with no administrative surcharge) for borrowers whose median household income is at or greater than 60% of the median household income but less than 80% of the median household income; and 0% for borrowers whose median household income is less than 60% of the median household income.

For the Clean Water SRF program, staff recommended setting the interest rate for Nonpoint Source-Watershed Incentive loans at 1.5% (consisting of a 1 % interest rate and 0.50% administrative surcharge) for loans up to 10 years and 2.25% (consisting of a 1.5% interest rate and 0.75% administrative surcharge) for loans exceeding 10 years up to a maximum term of 20 years.

Chairman Greenfield noted that these recommendations were made with the assistance of PFM.

Mr. Feeney stated that if approved by the board, these rates will be effective for SRF loans that are approved from this point forward.

Motion by Kennedy, seconded by Bollweg, to adopt Resolution #2004-17 setting the Federal Fiscal Year 2004 interest rates for the Drinking Water State Revolving Fund as follows: a) the interest rate for normal construction loans at 2.5% (consisting of a 2% interest rate and 0.50% administrative surcharge) for loans up to 10 years and at 3.25% (consisting of a 2.5% interest rate and 0.75% administrative surcharge) for loans exceeding 10 years up to a maximum term of 20 years; b) the interest rate for interim financing at 2% (with no administrative surcharge component) for a term of up to three years; and c) the interest rate for disadvantaged borrowers at 3.25% (consisting of a 2.5% interest rate and 0.75% administrative surcharge) for borrowers whose median household income (MHI) is below the state MHI but equal to or greater than 80% of the MHI; 2.5% (consisting of 2.5% interest rate with no administrative surcharge) for borrowers whose MHI is at or greater than 60% of MHI but less than 80% MHI; and 0% for borrowers whose MHI is less than 60% MHI; and to adopt Resolution #2004-18 setting the Federal Fiscal Year 2004 interest rates for the Clean Water State Revolving Fund as follows: a) the interest rate for normal construction loans at 2.5% (consisting of a 2% interest rate and 0.50% administrative surcharge) for loans up to 10 years and at 3.25% (consisting of a 2.5% interest rate and 0.75% administrative surcharge) for loans exceeding 10 years up to a maximum term of 20 years; b) the interest rate for interim financing at 2% (with no administrative surcharge component) for a term of up to three years; and c) the interest rate for Nonpoint Source NPS-Watershed Incentive loans at 1.5% (consisting of a 1 % interest rate and 0.50% administrative surcharge) for loans up to 10 years and 2.25% (consisting of a 1.5% interest rate and 0.75% administrative surcharge) for loans exceeding 10 years up to a maximum term of 20 years. Drinking Water and Clean Water SRF loans approved from this date forward are eligible for the new interest rates. Motion carried.

SOLID WASTE MANAGEMENT PROGRAM APPLICATIONS: David Ryan presented the Solid Waste Management Program funding applications. He noted that \$620,893 was available for disposal activities, \$400,000 was available for recycling activities, and \$800,000 was available for regional landfill assistance. By administrative rule, the board is required to wait at least 12 hours, but can take up to 120 days, after being presented with the applications to make funding decisions. The board made funding decisions the following day of the meeting.

Brown County requested a \$30,000 grant for a waste tire cleanup project. The estimated total project cost is \$60,000. Staff recommended awarding a grant up to \$30,000, but that prior costs incurred not be reimbursed.

Mike Scott, Brown County landfill manager, discussed the project and requested approval of funding.

Bon Homme-Yankton Water District requested a \$187,500 grant for the construction of a lime sludge monofill. The estimated total project cost was originally \$255,000 and has now decreased to \$176,600. Staff recommended awarding a grant up to \$21,000 and a \$155,000 loan at 3% interest for seven years.

Mike Williams, manager, discussed the project and requested board approval of funding.

Senator Frank Kloucek requested that the board award a grant and not a loan for this project. He said a loan would be an unfair burden on the water district.

Northwest Regional Landfill Association requested a \$150,000 grant and a \$181,960 loan for a Regional Landfill Cell #2 construction project and equipment purchase. The estimated total project cost is \$550,000.

In March 2003, the board awarded a \$73,000 grant and a \$73,000 loan to the association for the sole purpose of purchasing a landfill compactor. In January 2004, the department received a letter from the project sponsor indicating that would not accept the funds awarded in March 2003, but would prefer to apply for a comprehensive project that would include the purchase of the landfill compactor, a new transfer trailer, and the construction of a new landfill disposal cell.

Staff recommended that the board rescind the grant and loan awarded in March 2003, and award a new \$82,000 Solid Waste Management Program grant and a new \$250,000 Regional Landfill Assistance loan at 3% for 15 years for the purchase of the landfill compactor, a new transfer trailer, and the construction of a new landfill disposal cell. Staff recommended that prior costs be eligible for this funding.

Terry Helms, Helms & Associates, discussed the project and requested approval of funding.

SD Department of Environment and Natural Resources requested a \$100,000 grant from the Regional Landfill Assistance appropriation for a statewide waste tire cleanup project. The estimated total project cost is \$100,000. Senate Bill 203 provides that up to \$100,000 of the \$800,000 appropriation can be provided to the department for completing the waste tire cleanup

project that has been in place for the last five years. Staff recommended approval of a \$100,000 Regional Landfill Assistance grant.

Mr. Ryan answered questions from the board.

The city of Sioux Falls requested a \$125,000 grant for the purchase of curbside recycling containers. The estimated total project cost is \$250,000. Staff recommended awarding a grant up to \$125,000.

Jason Chan, landfill manager, discussed the project and requested board approval of funding.

Senator Frank Kloucek said he is strongly opposed to awarding grant funds to the city of Sioux Falls to purchase recycling containers.

The city of Yankton requested a \$190,000 grant and a \$360,000 loan for a transfer and recycling station expansion project. The estimated total project cost is \$550,000. Staff recommended awarding a recycling grant up to \$190,000, a \$75,000 Solid Waste Management Program loan at 3% interest for seven years, and a \$285,000 Regional Landfill Assistance loan at 3% interest for 20 years.

Phyllis Packard, Vermillion-Yankton joint powers solid waste director, and Kevin Kuhl, Yankton, director of public works, discussed the project and requested approval of the funding package.

The board made funding decisions the following day.

**CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM APPLICATIONS:**

Jim Feeney reported that \$5,051,146 is available for this funding round. The department received 17 consolidated funding applications. The board was also asked to consider two applications that were deferred at the January 2004 meeting. The department's recommendations to the board for this funding round total \$2,919,200. If the board accepts the staff's funding recommendations, \$2,131,946 will be available for subsequent funding rounds.

Mr. Feeney noted that the administrative rules require the board to wait a minimum of 12 hours from the time the new applications are presented before making funding decisions. The funding decisions were scheduled for 8:30 a.m. the following morning.

Mr. Feeney and Mr. Perkovich presented the funding applications and staff recommendations to the board.

Mr. Feeney noted that the funding applications for Letcher and Java were deferred at the January meeting. They were similar projects in that they requested significant grant funding to replace their water distribution systems. Letcher receives bulk water from Davison Rural Water System and Java receives bulk water from WEB Rural Water System. In January, the staff recommendation was to defer action and request those systems to work with their regional suppliers to explore opportunities for individual service from the regional systems, hoping to decrease the project costs and grant needs for those projects.

The town of Letcher submitted a letter to the department withdrawing its application. The town completed emergency repairs to its water tower for which Rural Development funding was secured.

Mr. Feeney stated that Chairman Greenfield sent letters to the mayor of Java and WEB Rural Water requesting that they investigate the possibility of having WEB provide individual service to the residents of Java. Mr. Feeney noted that WEB Rural Water responded in writing and indicating no interest in providing individual service to Java residents at this time.

The town of Java requested a \$300,000 consolidated grant for a waterline replacement project. The estimated total project cost is \$638,831. Staff recommended no funding for this project. Mr. Feeney stated that since the January meeting, Java was approached with an opportunity to proceed with an application to Rural Development for a grant/loan package. Java decided not to take action on that application. Java is reevaluating its options with its engineer to reduce the scope and cost of the project. Mr. Feeney stated that staff believes there is still an opportunity for Java to approach WEB regarding individual service.

Aurora-Brule Rural Water System requested a \$300,000 grant for water treatment plant improvements. The estimated total project cost is \$2,785,672. Staff recommended awarding a grant up to \$150,000.

Wade Blasius, manager, discussed the project and requested approval of the \$300,000 grant.

Brookings-Deuel Rural Water System requested a \$200,000 grant for expansion of its water distribution system. The estimated total project cost is \$950,000. Staff recommended awarding a grant up to \$150,000. Mr. Feeney noted that the funding package also includes local cash and grant and loan funds from Rural Development.

Pat Gilligan, manager, discussed the project and requested approval of funding. Larry Gabriel, Department of Agriculture Secretary, requested the board's support in expanding South Dakota's dairy industry.

Brad Johnson expressed concern regarding the dairies meeting all of the regulatory requirements.

Jeanne Goodman, DENR Surface Water Quality Program, discussed permitting requirements for concentrated animal feeding operations. She answered questions regarding siting requirements, set back requirements, land application of manure, and other requirements.

Jay Gilbertson, East Dakota WDD, discussed local zoning requirements.

Elmer Neussendorfer, Hamlin County Zoning Board, discussed zoning requirements in Hamlin County.

Regarding large dairy operations, Senator Frank Kloucek, said we need to err on the side of safety, and we must protect our resources at all costs.

B-Y Water District requested a \$187,500 grant for a residual monofill project. The estimated total project cost is \$255,000. Staff recommended no consolidated funding for this project because staff recommended funding this project under the Solid Waste Management Program.

The city of Corsica requested a \$300,000 grant for water and wastewater expansion and improvements. The estimated total project cost is \$2,301,595. Staff recommended awarding a grant up to \$300,000 with the following contingencies: 1) the lamb and veal processor signing a commitment agreement with the city; 2) funding from this award for eligible project design costs may be reimbursed at 80% of costs incurred, and remaining eligible expenses may be reimbursed in an amount up to 13.1% of eligible costs provided the total amount of assistance from this award does not exceed \$300,000; and 3) the city approving a rate resolution establishing a monthly wastewater rate of at least \$17.00 per 5,000 gallons.

Don Starr, mayor, Todd Van Maanan with Eisenbraun & Associates, and Senator Frank Kloucek, discussed the project and requested approval of funding.

The city of Elk Point requested a \$350,000 grant for water system improvements. The estimated total project cost is \$1,014,750. Staff recommended awarding a grant up to \$350,000 contingent upon the city applying for a Drinking Water SRF loan.

Isabel Trobough, mayor and Elizabeth Hailey, city administrator, discussed the project and requested approval of funding.

The city of Freeman requested a \$200,000 grant for water and sanitary sewer improvements. The estimated total project cost is \$630,000. Staff recommended awarding a grant up to \$100,000 contingent upon the city applying for a Clean Water SRF loan.

Evelyn Duerksen, finance officer, and Vernon Arens, Arens Engineering, discussed the project and requested approval of funding.

Senator Frank Kloucek spoke in support of awarding grant funds to the city.

The town of Gayville requested a \$175,000 grant for a sewage lagoon expansion project. The estimated total project cost is \$463,000. Staff recommended awarding a grant up to \$100,000 contingent upon Gayville applying for a Clean Water SRF loan.

Jay Jorgensen, town president, and Vernon Arens, Arens Engineering, discussed the project and requested board approval of funding.

The city of Hecla requested a \$500,000 grant for a wastewater treatment facility project. The estimated total project cost is \$1,200,000.

In April 2002, the board awarded a grant up to \$100,000 (#2002G-107) for this project. The board amended the grant twice, granting additional time to incur eligible costs and an additional \$400,000 for the project.

Staff recommended rescinding Consolidated Grant #2002G- 107 and awarding a new grant up to \$500,000 with the following special condition: funding from this award for eligible land acquisition costs may be reimbursed at 100% of costs incurred up to and not exceeding \$125,000, and remaining eligible expenses may be reimbursed in an amount up to 41.7% of eligible costs provided the total amount of assistance from this award does not exceed \$500,000.

Gayle Lloyd, finance officer, discussed the project and requested approval of funding.

Kingbrook Rural Water System requested a \$300,000 grant for pipeline and distribution improvements to provide water to 100 new rural users, including one new dairy and capacity for additional dairy development. The estimated total project cost is \$3,400,000. Staff recommended awarding a grant up to \$150,000.

Randy Jenks, manager, and Larry Stirling, Kingbrook RWS board chairman, discussed the project and requested approval of funding.

Larry Gabriel, secretary of the Department of Agriculture, spoke in support of funding for the project.

Lake County Conservation District requested a \$19,200 grant for watershed improvements in Lakes Herman, Madison, and Brant watersheds (Bourne Slough berm). The estimated total project cost is \$192,000. Staff recommended awarding a grant up to \$19,200.

Roger Strom, Lake County Conservation District, discussed the project and requested approval of funding.

Lake Poinsett Sanitary District requested a \$200,000 grant for the sanitary district Phase I expansion project. The estimated total project cost is \$875,000. Staff recommended awarding a grant up to \$200,000 contingent upon the district applying for a Clean Water SRF loan.

Larry Furney, president of the sanitary district, discussed the project and requested approval of funding.

The city of Lead requested a \$328,600 grant for the replacement of water and sanitary sewer lines. The estimated total project cost is \$657,100. Staff recommended awarding a grant up to \$75,000 contingent upon the city applying for both Clean Water and Drinking Water SRF loans.

Van Lindquist, Black Hills Council of Governments, discussed the project and requested approval of funding.

The city of Lennox requested a \$1,000,000 grant for water system improvements. The estimated total project cost is \$3,808,240. Staff recommended awarding a grant up to \$500,000 contingent upon the city applying for a Drinking Water SRF loan.



Orville Wiebers, mayor, and Roger Almond, water superintendent, discussed the project and requested approval of funding.

The city of Mitchell requested an \$18,000 grant for Lake Mitchell shoreline stabilization. The estimated total project cost is \$30,560. Staff recommended no funding for this project. Staff believes the cost of this project is within the financial capability of the city of Mitchell.

Representative Lou Sebert discussed the project and requested approval of funding.

The city of Parker requested a \$300,000 grant for water and wastewater system improvements. The estimated total project cost is \$1,214,000. Staff recommended awarding a grant up to \$300,000 contingent upon the city applying for both Clean Water and Drinking Water SRF loans.

Jim Larson, city council president, discussed the project and requested board approval of funding.

The city of Platte requested a \$125,000 grant for a waterline replacement project. The estimated total project cost is \$479,500. Staff recommended awarding a grant up to \$25,000 contingent upon the city applying for a Drinking Water SRF loan.

John Stekly, mayor, Kevin Kuiper, public works director, Todd Van Maanen, Eisenbraun & Associates, and Senator Frank Kloucek discussed the project and requested approval of funding. .  
Ponderosa Park Development Association requested a \$175,700 grant for water system improvements. The estimated total project cost is \$355,700. Staff recommended deferring the application. Staff has concerns regarding the large project cost versus the number of users that would benefit from the project. Staff also noted that the current water supply has levels of radium that exceed water quality standards on occasion. The project does not address the development's water quality problems. Staff noted that the Drinking Water SRF program cannot provide assistance to systems in significant non-compliance unless funding will ensure compliance.

Staff suggested that Ponderosa Park Development Association explore the possibility of hooking up to Colonial Pine Hills Sanitary District.

Van Lindquist, Black Hills Council of Governments, and Bob Rothermel, Alliance of Architects & Engineers, discussed the project. Mr. Lindquist said he believes the development association has tried to explore every opportunity for tying into a larger system. Mr. Lindquist said he welcomes the opportunity to work with the staff regarding this matter.

The board made funding decisions the following day.

KEYSTONE DRINKING WATER SRF APPLICATION: Eric Meintsma reported that the town of Keystone applied for a Drinking Water SRF loan to construct approximately 3,600 feet of PVC water main to provide a loop to the distribution system. The project also includes construction of a 150,000-gallon reservoir and pumping station.

Elayne Lande said Keystone requested approval of a \$762,000 Drinking Water loan at 3.5% interest for 20 years. The town is pledging the second penny sales tax revenues toward repayment

of the loan. Debt coverage after project completion is estimated to be 440%, which exceeds the 120% requirement.

Staff recommended approval of the loan at 3.25% for up to 20 years contingent upon the city passing a bond resolution and the resolution becoming effective and contingent upon completion of the environmental review process.

Lenny Schroeder, Keystone town board, discussed the project and requested approval of the SRF loan.

Motion by Kennedy, seconded by Bollweg, to adopt Resolution #2004-19 approving the Drinking Water State Revolving Fund loan up to a maximum commitment amount of \$762,000 at 3.25% interest for a term of 20 years to the town of Keystone to construct approximately 3,600 feet of PVC water main to provide a loop to the distribution system and to construct a 150,000-gallon reservoir and pumping station, and authorizing the Chairman and Secretary of the Board of Water and Natural Resources to execute the loan agreement, to accept and assign the Local Obligation to the Trustee, and to execute and deliver such other documents and permit all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust. The loan is contingent upon the city passing a bond resolution and the resolution becoming effective and contingent upon completion of the environmental review process. Motion carried.

CENTERVILLE DRINKING WATER SRF APPLICATION: Eric Meintsma reported that the city of Centerville applied for a Drinking Water SRF loan to replace over 27,000 feet of existing cast iron pipe with PVC water main and service pipe.

Dave Ruhnke said the city requested approval of an \$870,000 Drinking Water loan at 3.5% interest for 30 years. The city is pledging water revenues toward repayment of the loan. Debt coverage after project completion is estimated to be 132%, which exceeds the 110% requirement.

Staff recommended approval of the loan at 3.25% for up to 30 years contingent upon the city passing a bond resolution and the resolution becoming effective.

Valarie Fischer, mayor, discussed the project and requested approval of the SRF loan.

Motion by Johnson, seconded by Jones, to adopt Resolution #2004-20 approving the Drinking Water State Revolving Fund loan up to a maximum commitment amount of \$870,000 at 3.25% interest for a term of 30 years to the city of Centerville to replace cast iron pipe with PVC water main and service pipe, and authorizing the Chairman and Secretary of the Board of Water and Natural Resources to execute the loan agreement, to accept and assign the Local Obligation to the Trustee, and to execute and deliver such other documents and permit all acts necessary to effectuate the loan approved in accordance with all terms as set forth in the Indenture of Trust. The loan is contingent upon the city passing a bond resolution and the resolution becoming effective. Motion carried.

Chairman Greenfield declared the meeting in recess until the following morning.

MARCH 26, 2004 - 8:00 A.M. CST

Chairman Greenfield called the meeting back to order. A quorum was present.

2004 SRF BOND ISSUE

Investment Banking Services Proposals: Mr. Feeney noted that the deadline for receipt of the proposals was Friday, March 19, 2004. The department received proposals from A.G. Edwards & Sons, Piper Jaffray, RBC Dain Rauscher and Northland Securities, and UBS Financial Services. The department also received a response from Dougherty & Company LLC, who served as the investment banker for the 2001 bond issue. Dougherty did not submit a proposal as the senior manager, but asked to be considered as a co-manager on the bond issue.

Mr. Feeney provided the board with a review of the investment banking proposals, which was prepared by Public Financial Management, Inc. (PFM), the financial advisor for the SRF programs. He noted that on March 23, 2004, a conference call was held with staff, Harold Deering, PFM, Bruce Bonjour, Bert Olson, and Kristi Wiederich to discuss the proposals. Mr. Feeney stated that staff had no recommendation regarding the selection of investment banking services. Mr. Feeney asked that a subcommittee of the board be formed to interview the four firms in Sioux Falls on April 5 and 6, 2004. Chairman Greenfield, Gene Jones, and Dale Kennedy volunteered to be on the subcommittee.

Bond Counsel, financial advisor, and trustee contracts: Dave Ruhnke reported that at the meeting on March 4, 2004, in Sioux Falls, staff approached the board with the need to contract for trustee services, financial advisor, and bond counsel. The board directed staff to negotiate contracts.

Mr. Ruhnke stated that Public Financial Management (PFM) has served as financial advisor for the Clean Water and Drinking Water SRF programs and has provided the board with recommendations for the financial management of the SRF programs, including future funding of the SRF programs. Based on those recommendations, the board decided to issue bonds to provide state match for the Drinking Water SRF, leveraged funds for the Drinking Water SRF, and refund portions of existing Clean Water SRF outstanding bonds.

Mr. Ruhnke recommended that the board adopt a resolution authorizing the Chairman of the board to enter into a contract with PFM to assist bond counsel and other financing team members in the 2004 bond issue.

Motion by Kennedy, seconded by Jones, to adopt Resolution # 2004-21 approving a consultant contract with Public Financial Management, Inc. (PFM), to serve as financial advisor to the South Dakota Conservancy District for the 2004 Bond Issue, and to authorize the Chairman of the Board of Water and Natural Resources to enter into a contract with PFM with the total contract not to exceed \$45,000. Motion carried.

Mr. Ruhnke reported that the board authorized the staff to negotiate a contract with The First National Bank in Sioux Falls to serve as trustee for the bond issue. The First National Bank has served as trustee to the board on past bond issues. Staff negotiated a contract with The First

National Bank not to exceed \$12,000 with \$9,000 allocated for services as trustee for the 2004 bond issue and \$3,000 allocated for services as escrow agent related to refunding of Clean Water SRF bonds. He recommended the board approve the contract.

Motion by Johnson, seconded by Rounds, to adopt Resolution # 2004-22 authorizing the Chairman of the Board of Water and Natural Resources to enter into a contract with The First National Bank in Sioux Falls for initial services as trustee for the 2004 SRF Bond Issue and services as escrow agent for refunding of the Series 1994A, 1995A, and 1996A Clean Water SRF Bonds in a total amount not to exceed \$12,000. Motion carried.

Mr. Ruhnke presented the board with a resolution authorizing a contract with Bruce Bonjour, Perkins Coie, for services as bond counsel for the 2004 Bond Issue and legal services for the Clean Water and Drinking Water SRF programs for calendar years 2004 and 2005 in a total amount not to exceed \$199,000.

Mr. Ruhnke stated that the total contract amount will not exceed \$54,000 for services as bond counsel for the 2004 Bond Issue and will not exceed \$145,000 for legal services for both programs with \$70,000 allocated for 2004 and \$75,000 allocated for 2005.

Motion by Kennedy, seconded by Bollweg, to adopt Resolution # 2004-23 authorizing the chairman of the Board of Water and Natural Resources to enter into a contract with Bruce A. Bonjour, Perkins Coie, for services as bond counsel for the 2004 Bond Issue and legal services for the Clean Water and Drinking Water SRF programs for calendar years 2004 and 2005 in a total amount not to exceed \$199,000. Motion carried.

**BROWNFIELDS PROGRAM OVERVIEW:** Kim McIntosh, DENR Groundwater Quality Program, provided a presentation on brownfields in South Dakota. Brownfields sites are defined as real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant or contaminant.

Two bills were passed by the 2004 Legislature relating to brownfields. House Bill 1175 establishes the authority for a state revolving fund and House Bill 1157 limits lender liability for funding of brownfields revitalization projects. The legislation specifically provides the following:

1. Establishes the authority for a state brownfields Revolving Loan Subfund Program to provide funds for the cleanup of brownfields sites.
2. Establishes a second subfund with continuing expenditure authority to be used by the Department of Environment and Natural Resources to perform Brownfields assessment and cleanup activities.
3. Authorizes the Board of Water and Natural Resources to adopt administrative rules to administer the subfunds.
4. Provides certain liability protection for lenders and developers who provide financial backing for a brownfields site.

Following her presentation, Ms. McIntosh requested permission from the board to proceed with the promulgation of administrative rules for the Brownfields program.

Motion by Rounds, seconded by Jones, to authorize staff to proceed with the promulgation of administrative rules for the program. Motion carried.

SECTION 319 APPLICATIONS: Each year the Environmental Protection Agency (EPA) provides DENR with 319 funds to pass through to local sponsors for projects that abate or prevent nonpoint source pollution. Dennis Clarke reported that DENR received six applications requesting \$1,965,618 in Section 319 funding assistance. Mr. Clarke noted that \$2,229,424 is available for nonpoint source projects.

Mr. Clarke presented the Section 319 applications and DENR's funding recommendations. He requested the board review the applications and recommend a funding amount for each project to be submitted to EPA. EPA will make the final funding decisions.

|   | 319<br><u>Requested</u> | DENR<br><u>Recommendation</u> | Nonpoint Source<br>Task Force<br><u>Recommendation</u> |
|---|-------------------------|-------------------------------|--|
| <u>TMDL Assessment Projects</u>   |                         |                               |  |
| Lewis & Clark Watershed Assessment Project  | \$ 66,370               | \$ 66,370                     | \$ 67,000  |
| <u>TMDL Implementation/Watershed Projects</u>   |                         |                               |  |
| Belle Fourche Watershed Management & Project Implementation Plan                            | \$ 189,000              | \$ 189,000                    | \$ 89,000  |
| Upper Snake Creek Watershed Project   | 1,097,550               | 1,097,550                     | 750,000  |
| Using Precision Manure Management to Improve Water Quality in TMDL Identified Problem Areas | 254,898                 | 254,898                       | 255,000  |
| SD Watershed Information & Education Collaborative Project                                  | 278,600                 | 150,000                       | 200,000  |
| SD Wetland Education Program  | 79,200                  | 0                             | 0  |
| Total   | \$1,965,618             | \$1,691,448                   | \$1,394,000  |

Regarding the SD Watershed I & E Collaborative Project, Mr. Clarke stated that the department recommended \$150,000. As written, the department feels the project is too broad, has a lot of things for everybody in it, but does not have some of the centralized focus. It also does not provide for production of nonpoint source publications, manuals, sponsor's workshops and training, which are needed to implement projects. The recommended funding is contingent upon redrafting the work plan to reflect the activities that would be included and paid for through this grant and would be selected on a quarterly or semi-annual basis for applications that the Discovery Center would put out a request for proposals. They then would meet with the subcommittee of the Task Force, which was appointed by Nonpoint Source Task Force Chairman, Rick Vallery. The

subcommittee would select which activities they feel would best meet the needs of getting the nonpoint source information out through publications that need to be produced.

Mr. Clarke stated that the SD Wetland Education Program is essentially the second half of a project that was funded with Section 319 dollars last fall. This is same proposal requesting the same dollar amount is before EPA for consolidated funding process monies. That funding process is not completed. Based on the fact that that status of that funding is not known at this time and the fact that this project is already up and running, the department recommended no Section 319 funding at this time. Mr. Clarke noted that if EPA does not provide funding for this project, the sponsor has the option of coming back and request additional Section 319 funding in the future.

Rick Vallery, NPS Task Force Chairman, discussed the Nonpoint Source Task Force's funding recommendations. The NPS Task Force agreed with the department's recommendations except for the recommendations for the Upper Snake Creek Watershed Project and the SD Watershed Information & Education Collaborative Project.

Mr. Vallery said the NPS Task Force recommended \$750,000 for the Upper Snake Creek Watershed Project. If more funding is required for this project, the sponsor can apply for additional funding in the future.

Mr. Vallery stated that the NPS Force recommended \$200,000 for the SD Watershed Information & Education (I&E) Collaborative Project with the understanding that it will be a collaborative effort between all of the organizations and the I&E committee will make the decisions on how we can best do I&E. Between the two I&E projects, the Nonpoint Source Task Force decided to go with the Watershed I & E Collaborative Project. The NPS Task Force discussed the SD Wetland Education Program project with the Watertown representatives and explained that they could be a part of the Watershed I&E Collaborative Project. The NPS Task Force believes this is the best way to coordinate I & E efforts.

Mr. Clarke noted that the department's recommendations are always developed prior to the NPS Task Force's review of the applications. He stated that the Department now concurs with all of the Task Force's recommendations for funding.

Brad Johnson and Don Bollweg both expressed concerns about the Precision Manure Management to Improve Water Quality in TMDL Identified Problem Areas project. Dr. Gregg Carlson and Rick Vallery answered questions from several of the board members regarding this project.

Chairman Greenfield requested board action.

Motion by Kennedy, seconded by Jones, to recommend approval of a \$67,000 Section 319 grant for the Lewis and Clark Watershed Assessment Project. Motion carried.

Motion by Loucks, seconded by Jones, to recommend approval of a \$189,000 Section 319 grant for the Belle Fourche River Watershed Management and Project Implementation Plan. Motion carried.

Motion by Johnson, seconded by Kennedy, to recommend approval of a \$750,000 Section 319 grant for the Upper Snake Creek Watershed Project. Motion carried.

Motion by Rounds, seconded by Bollweg, to recommend approval of a \$255,000 Section 319 grant for Using Precision Manure Management to Improve Water Quality in TMDL Identified Problem Areas. Motion carried.

Motion by Kennedy, seconded by Loucks, to recommend approval of a \$200,000 Section 319 grant for South Dakota Watershed Information and Education Collaborative Project, contingent upon the completion of a revised workplan.

Substitute motion by Johnson, seconded by Bollweg, to recommend no funding at this time.

Mr. Johnson said he does not believe there has been enough clear thought going into how this is going to work. He expressed concern regarding providing a pot of money and letting a subgroup disburse it. Mr. Johnson said he would like to see, based on the merging of things, a more refined proposal at a future date.

The substitute motion carried with Loucks casting the only dissenting vote.

Motion by Jones, seconded by Bollweg, to recommend no funding for the South Dakota Wetland Education Program. Motion carried.

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM AND SOLID WASTE MANAGEMENT PROGRAM ASSURANCES, TERMS AND CONDITIONS: Mr. Feeney stated that the department is proposing the following addition to No. 9 of the Assurances, Terms and Conditions, which are attached to all consolidated and solid waste management program grants:

The Grantee is required to submit a completed "Vendor ACH Authorization Form" which will authorize the State of South Dakota to make electronic payments by direct deposit and provide electronic payment notification to the Grantee. This form is available through the DENR Fiscal Office or it can be downloaded directly from

<http://www.state.sd.us/bfmm/vendor/ach.htm>. The Grantee must fax the completed form to (605)773-4711 or mail it to:

Vendor Coordinator  
Bureau of Finance & Management  
500 East Capitol  
Pierre, SD 57501

Motion by Loucks, seconded by Rounds, to approve the amendment to the Assurances, Terms and Conditions for Consolidated Water Facilities Construction Program grants and Solid Waste Management Program grants, as proposed by the department. Motion carried.

CONSOLIDATED WATER FACILITIES CONSTRUCTION PROGRAM FUNDING

DECISIONS: Mr. Feeney reviewed the consolidated funding applications and staff recommendations. The board made the following funding decisions.

Motion by Johnson, seconded by Bollweg, to deny funding for the town of Java. Motion carried.

Motion by Bollweg, seconded by Rounds, to adopt Resolution #2004-24 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the Aurora-Brule Rural Water System for a grant up to 5.5% of approved total project costs and not exceeding \$150,000 for water treatment plant improvements - Phase 3. Motion carried.

Motion by Jones, seconded by Bollweg, to adopt Resolution #2004-25 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the Brookings-Deuel Rural Water System for a grant up to 15.8% of approved total project costs and not exceeding \$150,000 for 2004 pipeline and distribution system improvements. Motion carried.

Motion by Rounds, seconded by Bollweg, to deny consolidated funding to the B-Y Water District. Motion carried.

Motion by Kennedy, seconded by Bollweg, to adopt Resolution #2004-26 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the city of Corsica for a grant up to 13.1% of approved total project costs and not exceeding \$300,000 for a water and wastewater expansion project. The grant is awarded with the following contingencies: 1) the lamb and veal processor signing a commitment agreement with the city; 2) funding from this award for eligible project design costs may be reimbursed at 80% of costs incurred and remaining eligible expenses may be reimbursed in an amount up to 13.1 % of eligible costs provided the total amount of assistance from this award does not exceed \$300,000; and 3) the city approving a rate resolution establishing a monthly wastewater rate of at least \$17.00 per 5,000 gallons. Motion carried. Jones abstained from voting.

Motion by Greenfield, seconded by Jones, to adopt Resolution #2004-27 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the city of Elk Point for a grant up to 35.0% of approved total project costs and not exceeding \$350,000 for water treatment plant improvements. The grant is contingent upon the city applying for a Drinking Water SRF loan to provide the financing for the balance of the project. Motion carried.

Motion by Jones, seconded by Kennedy, to adopt Resolution #2004-28 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the city of Freeman for a grant up to 15.9% of approved total project costs and not exceeding \$100,000 for a water distribution and sanitary sewer replacement project. The grant is contingent upon the city applying for a Clean Water SRF loan to provide the financing for the wastewater portion of this project. Motion carried.



Motion by Bollweg, seconded by Rounds, to adopt Resolution #2004-29 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the town of Gayville for a grant up to 21.8% of approved total project costs and not exceeding \$100,000 for a sewage lagoon expansion project. The grant is contingent upon the city applying for a Clean Water SRF loan to provide the financing for the balance of this project. Motion carried.

Motion by Loucks, seconded by Jones, to adopt Resolution #2004-30 rescinding Consolidated Grant #2002G-107 and approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the city of Hecla for a grant up to 41.7% of approved total project costs and not exceeding \$500,000 for a wastewater facility project. The grant is approved with the following contingency: Funding from this award for eligible land acquisition costs may be reimbursed at 100% of costs incurred up to and not exceeding \$125,000 and remaining eligible expenses may be reimbursed in an amount up to 41.7% of eligible costs provided the total amount of assistance from this award does not exceed \$500,000. Motion carried.

Motion by Kennedy, seconded by Bollweg, to adopt Resolution #2004-31 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the Kingbrook Rural Water System for a grant up to 4.5% of approved total project costs and not exceeding \$150,000 for a 2004 pipeline distribution improvement project. Motion carried.

Motion by Rounds, seconded by Johnson, to adopt Resolution #2004-32 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the Lake County Conservation District for a grant up to 10.2% of approved total project costs and not exceeding \$19,200 for the Lake County watershed improvement project - Bourne Slough Berm. Motion carried.

Motion by Jones, seconded by Kennedy, to adopt Resolution #2004-33 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the Lake Poinsett Sanitary District for a grant up to 22.9% of approved total project costs and not exceeding \$200,000 for a Phase I expansion project. The grant is contingent upon the Lake Poinsett Sanitary District applying for a Clean Water SRF loan to provide the financing for the balance of this project. Motion carried.

Motion by Loucks, seconded by Jones, to adopt Resolution #2004-34 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the city of Lead for a grant up to 11.6% of approved total project costs and not exceeding \$75,000 for a Highway 85 utility replacement project. The grant is contingent upon the city applying for both a Clean Water SRF loan and a Drinking Water SRF loan to provide the financing for the balance of this project. Motion carried.

Motion by Loucks, seconded by Rounds, to adopt Resolution #2004-35 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the city of Lennox for a grant up to 13.2% of approved total project costs and not exceeding

\$500,000 for water system improvements. The grant is contingent upon the city applying for a Drinking Water SRF loan to provide the financing for the balance of this project. Motion carried. Jones abstained from voting.

Motion by Jones, seconded by Bollweg, to deny consolidated funding for the city of Mitchell. Motion carried.

Motion by Greenfield, seconded by Rounds, to adopt Resolution #2004-36 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the city of Parker for a grant up to 25.0% of approved total project costs and not exceeding \$300,000 for water and wastewater system improvements. The grant is contingent upon the city applying for both a Clean Water SRF loan and a Drinking Water SRF loan to provide the financing for the balance of this project. Motion carried.

Motion by Jones, seconded by Bollweg, to adopt Resolution #2004-37 approving the South Dakota Consolidated Water Facilities Construction Program grant agreement between the state and the city of Platte for a grant up to 5.3% of approved total project costs and not exceeding \$25,000 for a waterline replacement project. The grant is contingent upon the city applying for a Drinking Water SRF loan to provide the financing for the balance of this project. Motion carried.

Motion by Johnson, seconded by Bollweg, to defer the Ponderosa Park Development Association application. Motion carried.

**SOLID WASTE MANAGEMENT PROGRAM FUNDING DECISIONS:** David Ryan reviewed the applications and funding recommendations. The board made the following funding decisions.

Motion by Bollweg, seconded by Jones, to adopt Resolution #2004-38 approving the South Dakota Solid Waste Management Program grant agreement between the state and Brown County for a grant up to 50.0% of approved total project costs and not exceeding \$30,000 for a waste tire pile removal project. Motion carried.

Motion by Jones, seconded by Johnson, to adopt Resolution #2004-39 approving the South Dakota Solid Waste Management Program grant agreement between the state and the Bon Homme-Yankton Water District for a grant up to 11.9% of approved total project costs and not exceeding \$21,000 for a lime sludge residual monofill project; and to adopt Resolution #2004-40 approving the South Dakota Solid Waste Management Program loan agreement between the state and the Bon Homme-Yankton Water District for a loan not to exceed \$155,000 at 3% interest for a term of seven years for a lime sludge residual monofill project. Motion carried.

Motion by Rounds, seconded by Kennedy, to adopt Resolution #2004-41 rescinding Solid Waste Management Program Grant #MSW-2004G-101 in the amount not to exceed \$73,000 and Solid Waste Management Program Loan #MSW-2004L-101 in the amount not to exceed \$73,000; approving the South Dakota Solid Waste Management Program grant agreement between the state and Northwest Regional Landfill for a grant up to 15.0% of approved total project costs and not exceeding \$82,000 for regional landfill Cell #2 construction and equipment purchase; and to adopt Resolution #2004-42 approving the South Dakota Regional Landfill Assistance loan in an amount

not to exceed \$250,000 for regional landfill Cell #2 construction and equipment purchase. Motion carried.

Motion by Bollweg, seconded by Kennedy, to adopt Resolution #2004-43 approving the Regional Landfill Assistance grant agreement between the state and the South Dakota Department of Environment and Natural Resources for a grant up to 100% of approved total project costs and not exceeding \$100,000 for the South Dakota waste tire pile cleanup program. Motion carried.

Motion by Bollweg, seconded by Kennedy, to deny funding to the city of Sioux Falls for curbside recycling containers. Motion carried.

Motion by Johnson, seconded by Rounds, to adopt Resolution #2004-44 approving the South Dakota Solid Waste Management Program grant agreement between the state and the city of Yankton for a grant up to 34.6% of approved total project costs and not exceeding \$190,000 for a transfer and recycling station expansion project; to adopt Resolution #2004-45 approving the South Dakota Solid Waste Management Program loan agreement between the state and the city of Yankton for a loan not to exceed \$75,000 at 3% interest for a term of seven years for a transfer and recycling station expansion project; and to adopt Resolution #2004-46 approving the South Dakota Regional Landfill Assistance loan agreement between the state and the city of Yankton for a loan not to exceed \$285,000 at 3% interest for a term of 20 years for a transfer and recycling station expansion project. Motion carried.

CITY OF IRENE LETTER REGARDING AUDIT REQUIREMENTS: Jim Feeney reported that the city of Irene was awarded a Drinking Water SRF loan in June 2000. This loan was paid in full in November 2003 to avoid the audit requirement, which is in the loan agreement. The audit requirement has been included in the SRF program loan agreements since the programs were initiated.

In February 2004, the mayor of Irene sent a letter to the Board of Water and Natural Resources asking whether the audit requirements, which are financially burdensome to small communities, might be eased. Mr. Feeney noted that in the past, the department has received similar requests from other small communities. He noted that Legislative Audit is currently conducting a state government review of the various agency audit requirements with the goal of obtaining consistency among state agencies. The study is scheduled to be completed this spring. After the Legislative Audit study is done, staff plans to draft a proposal to amend the current audit requirements for SRF loans. The Board of Water and Natural Resources will be asked to approve the proposal.

AMEND FALL RIVER WATER USERS DISTRICT DRINKING WATER SRF BORROWER BOND RESOLUTION: In November 1999, Fall River Water Users District adopted a resolution authorizing the issuance of a bond and approving the loan agreement for Drinking Water SRF loan #C462435-01. Section 7 of the resolution named the system fund accounts the district would establish to account for funds associated with the loan. The accounts included the Water Fund, the Operation and Maintenance Account, the Debt Service Fund, the Depreciation Account, and the Surplus Account.

Board of Water and Natural Resources  
March 25-26, 2004, Meeting Minutes

Dave Ruhnke stated that the water users district proposes to amend the resolution by deleting the Operation and Maintenance, Depreciation, and Surplus Accounts while adding the Construction Fund. This proposed change has been reviewed by Harold Deering, Attorney General's Office. Mr. Deering concurs that the revised accounts would meet statutory requirements.

Motion by Loucks, seconded by Johnson, to approve the amendment to the borrower resolution for Fall River Water Users District (loan C462435-01). Motion carried.

BOARD OF WATER AND NATURAL RESOURCES MEETING SCHEDULE: Mr. Feeney presented the board with suggested dates for FY 2005 board meetings.

Jay Gilbertson, on behalf of Van Lindquist, West Dakota Water Development District, invited the board to hold its September 2004, meeting in Rapid City.

Motion by Jones, seconded by Kennedy, to adopt the following meeting schedule for FY 2005:

September 23-24, 2004 (Rapid City)  
November 4, 2004  
January 6-7, 2005  
March 23-24, 2005  
June 23-24, 2005

The motion carried.

OTHER BUSINESS

Joint Powers Agreement with South Dakota Department of Agriculture: Mr. Feeney reported that at the November 2003 meeting the board approved the Clean Water Intended Use Plan (IUP) and set-aside \$580,000 of the available Clean Water SRF administrative surcharge fee funds for the initiation of a program to assist in the design of manure management systems for concentrated animal feeding operations (CAFOs).

Mr. Feeney requested that the board adopt a resolution authorizing the secretary of DENR to execute, on behalf of the Board of Water and Natural Resources, a joint powers agreement with the Department of Agriculture.

The Board of Water and Natural Resources and the South Dakota Department of Agriculture will provide assistance to operators of existing CAFOs for the development of manure management system engineering plans and designs with accompanying nutrient management plans. The level of assistance provided to an operator will be limited to 60% of the cost of design up to a maximum of \$12,000 in assistance.

Motion by Rounds, seconded by Bollweg, to adopt Resolution # 2004-47 approving the joint powers agreement between the South Dakota Board of Water and Natural Resources and the South Dakota Department of Agriculture. Motion carried.

SD Watershed Information and Education Collaborative Project Section 319 Application: Jay Gilbertson, the chairman of the Nonpoint Source Information and Education subcommittee, asked if the board would be willing to reconsider the application at the June 2004 board meeting if a new work plan is developed by then.

Mr. Johnson said the intent of his motion was that the project sponsor develop and submit a revised work plan.

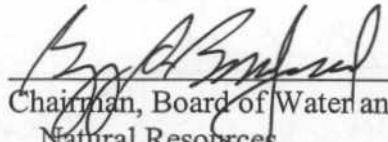
Mr. Feeney said if a new work plan is completed in time for consideration at the June meeting, staff will forward it to the board for their reconsideration. Otherwise, it will be considered at the next Section 319 funding round in September.

Other Business: Senator Frank Kloucek invited the board to attend a presentation on bio-digesters in Beresford on April 3, 2004. He said the use bio-digesters may address some of the problems with dairy waste and other wastes of concern.

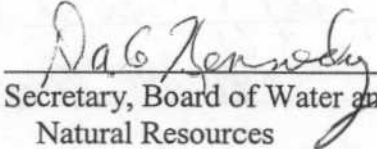
ADJOURN: Chairman Greenfield declared the meeting adjourned.

Approved this 24 day of June, 2004.

(SEAL)

  
Chairman, Board of Water and  
Natural Resources

ATTEST:

  
Secretary, Board of Water and  
Natural Resources

BOARD OF WATER AND NATURAL RESOURCES  
ATTENDANCE SHEET

DATE March 25, 2004 LOCATION Matthew Training Center - Pierre

| Name (PLEASE PRINT) | Address                               | Representing                       |
|---------------------|---------------------------------------|------------------------------------|
| John T. Loucks      | R. City                               | BW NR                              |
| Evelyn Duerksen     | Box 178, Freeman 57029                | City of Freeman                    |
| DAG KENNEDY         | Bereford                              | BDW NR                             |
| William Root        | Lennox                                | City Lennox                        |
| MICHAEL GREGG       | LENNOX SD                             | City LENNOX                        |
| Roger Almond        | Lennox SD                             | Water Supt.                        |
| Gary Pappage        | Lennox                                | City Lennox                        |
| ORVILLE WIEBERS     | LENNOX                                | CITY OF LENNOX                     |
| Erwin Kirkvold      | Lincoln NE                            | Lake Poinsett<br>Sanitary District |
| Nathan Quenzer      | Mitchell SD                           | SD & Assoc                         |
| Jay Jorgensen       | Gayville SD                           | City of Gayville                   |
| JASON T. CHAN       | 224 W 9th St, Sioux Falls, SD 57104   | City of Sioux Falls                |
| Daphne Lloyd        | 111 W Main, Okla SD                   | City, Okla                         |
| Vernon Arens        | 301 Capitol, Yorkton, SD              | Gayville - Yorkton                 |
| Dan Notthoorn       | 220 E 3rd St Cornica, SD              | Cornica Development Inc.           |
| Don Sloan           | 85 E 2nd St                           | CORNICIA Mayor                     |
| VANA LINDROST       | Rapid City, SD                        | WEST DAKOTA/BROTHERHOOD COUNCIL    |
| Mike Scott          | Aberdeen SD                           | Brown County                       |
| Larry Furney        | 302 South Lake<br>Arlington, SD 57012 | Lake Poinsett                      |
| Isabel Lutzough     | Box 411, Elk Point AA                 | Mayor City of Elk Point            |

BOARD OF WATER AND NATURAL RESOURCES  
ATTENDANCE SHEET

DATE 3-25-04

LOCATION Matthew Training Center

| Name (PLEASE PRINT) | Address             | Representing              |
|---------------------|---------------------|---------------------------|
| Connie Bootz        | Lemmon SD           | NW SD Regional Landfill   |
| Leo Brockel         | McIntosh SD         | NW SD Regional Landfill   |
| Manley Peterson     | Corsica SD          | Corsica Devel Corp        |
| Judy Richards       | 108W Fir Brandon SD | Lake Poinsett Development |
| Lowell Richards     | " " "               | " " "                     |
| Michael D. Wellen   | Tynard SD           | B-S Water Dist.           |
| David Ryan          | Pierre              | DENR                      |
| Kevin Kuhl          | Yankton SD          | Yankton & TPA             |
| Jim Feeney          | Pierre              | DENR                      |
| Elayne Lande        | Pierre              | DENR                      |
| Dave Ruhnke         | Pierre              | DENR                      |
| Bill Lass           | Rapid City          | B.H. Council of Gov'ts.   |
| Lenny Schroeder     | Keystone            | Town Board                |
| Valarie Fischer     | Centerville         | City Council              |
| Jim EVERETT         | SIOUX FALLS         | Lake Poinsett Development |
| Pat Everett         | "                   | "                         |
| Wade Blasius        | Kimball, SD         | Aurora-Bruke RWS          |
| Luc Schent          | Mitchell            | Opt Sight Committee       |
| Jim Housiaux        | Brookings           | Banner Assoc., Inc.       |
| Senator Frank Kleck | Scotland            | #19 Leg. Council          |
| Vanessa Lewis       | Keystone            | Finance Officer           |

BOARD OF WATER AND NATURAL RESOURCES  
ATTENDANCE SHEET

DATE 3-25-04

LOCATION Matthew Training Center

Name (PLEASE PRINT)

Address

Representing

|                           |                       |                                 |
|---------------------------|-----------------------|---------------------------------|
| <u>Man</u>                |                       |                                 |
| <u>Cathy Madison</u>      | <u>Keystone</u>       | <u>Town Board</u>               |
| <u>Phyllis Paschold</u>   | <u>Vermillion</u>     | <u>Yankton</u>                  |
| <u>Ted Peterson</u>       | <u>Aberdeen</u>       | <u>NECOG</u>                    |
| <u>Kevin Bain</u>         | <u>Aberdeen</u>       | <u>NECOG</u>                    |
| <u>Rick Valley</u>        | <u>Pierre</u>         | <u>SD Wheat Inc</u>             |
| <u>Jeanne Ruckelshaus</u> | <u>Parker</u>         | <u>City of Parker</u>           |
| <u>Jim Larsen</u>         | <u>Parker SD</u>      | <u>City of Parker</u>           |
| <u>Robin Dykstra</u>      | <u>Parker SD</u>      | <u>City of Parker</u>           |
| <u>Elmer Neussard</u>     | <u>Estelline SD</u>   | <u>LPSSD</u>                    |
| <u>GARY Cooper</u>        | <u>Lake Russell</u>   | <u>LPSSD</u>                    |
| <u>Mike Perkovich</u>     | <u>DENR</u>           | <u>Pierre</u>                   |
| <u>Dave Temple</u>        | <u>DENR</u>           | <u>Pierre</u>                   |
| <u>Jim Anderson</u>       | <u>DENR</u>           | <u>Pierre</u>                   |
| <u>Elizabeth Bailey</u>   | <u>Elk Point</u>      | <u>Elk Point</u>                |
| <u>Toby Brown</u>         | <u>SECOG</u>          | <u>SECOG</u>                    |
| <u>Sharon Rasmussen</u>   | <u>Estelline</u>      | <u>Lake Russell</u>             |
| <u>John Attky</u>         | <u>Platte SD</u>      | <u>City of Platte</u>           |
| <u>Arnold Quilley</u>     | <u>Platte SD</u>      | <u>City of Platte</u>           |
| <u>Jay Gilbertson</u>     | <u>Brookings</u>      | <u>East Dakota WDD</u>          |
| <u>Terry Helms</u>        | <u>Aberdeen, SD</u>   | <u>NWELA</u>                    |
| <u>Bob Rothermel</u>      | <u>Rapid City, SD</u> | <u>Alliance of Arch + Engrs</u> |



## BOARD OF WATER AND NATURAL RESOURCES ATTENDANCE SHEET

DATE 3 25-04

LOCATION Matthew Training Center

Name (PLEASE PRINT)

Address

## Representing

|                   |               |                             |
|-------------------|---------------|-----------------------------|
| Roger Strom       | Madison       | Lake Co Conservation Dist   |
| Iron McInnis      | Yankton       | Pemung District III         |
| Randy Jencks      | Arlington SD  | Kingbrook Rural Water       |
| Larry Sterling    | Madison, S.D. | Kingbrook Rural Water       |
| Pat Gulligan      | Toronto SD    | Brookings - Osoyo/Bag       |
| Rodney Stormo     | Hayti SD      | Kingbrook RW                |
| Scott Brandenburg | Altamont SD   | Brookings Devel RWS         |
| Doug Feton        | Clear Lake    | Brookings Devel RWS         |
| Sam Williams      | Rosario S.D.  | Brookings Devel RWS         |
| GAYLEEN LOWE      | PIERRE        | SD DENIR                    |
| Harry Johnson     | Brookings     | Brookings Devel Rural Water |
| Nick Westhuis     | Platte        | City of Platte              |
| Kevin Ruppert     | Platte        | City of Platte              |
| Bob O'Brien       | "             | "                           |

BOARD OF WATER AND NATURAL RESOURCES  
ATTENDANCE SHEET

DATE March 26

LOCATION Training Center

| Name (PLEASE PRINT)  | Address      | Representing                 |
|----------------------|--------------|------------------------------|
| Jay P. Gilbertson    | Brookings    | East Dakota WPD              |
| Senatr Frank Klourek | Scotland #19 | Leg Oversight                |
| David Ryan           | Pierre       | DENR                         |
| Dave Ruhnke          | Pierre       | DENR                         |
| John T. Lowery       | P.C.         | DENR                         |
| Michael D. Wilton    | Tyndall SD   | D-7 Water Dist               |
| Lou Sebert           | Mitchell     | Oversight Committee          |
| Dennis C. Clarke     | DENR-Pierre  | DENR                         |
| Elayne Lande         | Pierre       | DENR                         |
| Tim McKinley         | Yankton      | RD III                       |
| Kim McIntosh         | Pierre       | DENR                         |
| Bob Hardy            | Pierre       | DENR                         |
| GAYLEEN LOWE         | PIERRE       | SD DENR                      |
| Evelyn Amurksen      | Freeman      | City of Freeman              |
| Angela Ehlers        | Pierre       | SD Assn of Conservation Dist |
| Bob Meren            | Pierre       | Newspaper                    |
| Gregg Carlson        | Brookings    | SDSU                         |
| Dail Teyshet         | Pierre       | DENR                         |
|                      |              |                              |
|                      |              |                              |
|                      |              |                              |